



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

1594 West North Temple, Suite 1210

PO Box 145801

Salt Lake City, Utah 84114-5801

(801) 538-5340 telephone

(801) 359-3940 fax

(801) 538-7223 TTY

www.nr.utah.gov

Michael O. Leavitt
Governor

Robert L. Morgan
Executive Director

Lowell P. Braxton
Division Director

July 1, 2003

CERTIFIED RETURN RECEIPT
7099 3400 0016 8896 2086

Phyllis Bown
595 East 600 South
P.O. Box 26
Manti, Utah 84642

Re: Reclamation Agreement, Phyllis Bown, Mayfield Quarry, S/039/011, Sanpete County, Utah

Dear Mrs. Bown:

On Tuesday, May 20, 2003, John Blake of the State Institutional and Trust Lands Administration (SITLA) and Lynn Kunzler of my staff met with your husband, Danny Bown, at the Mayfield Quarry. The purpose of the visit was to discuss options of dealing with the large volume of overburden materials that are being generated from your site, and the potential of using these materials for backfilling low areas on the adjacent Cream Time Quarry (permitted by Lanny Jensen). There was also discussion as to the exact location of the lease boundary between your two operations, and what would need to occur to allow you to remove the small vein of rock that currently exists between the two operations.

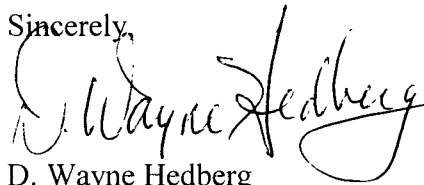
Discussions involved the possibility of modifying your lease with SITLA, or developing a Reclamation Agreement, wherein you would be allowed to process any rock removed (paying the appropriate royalties to SITLA) during reclamation activities in this area. Mr. Bown stated that if he was authorized to remove the stone, and use the adjacent 'Jensen' permit area to dispose of his excess overburden to re-establish a suitable land surface for the landowner (without including the reclaimed acreage into your permit), then he would agree to regrade the disturbed areas, spread 5-10 tons per acre of composted manure, and seed the Cream Time Quarry. This proposal would benefit all involved parties.

Page 2
Phyllis Bown
S/039/011
July 1, 2003

Attached, please find a Reclamation Agreement that outlines this proposal. If you agreed with the provisions of this agreement, please have it signed and notarized, then return the form to this office. Once we receive the signed agreement, we will send you notification that you can begin work immediately.

The Division appreciates your cooperation and patience in working out this agreement. Please call me, or Lynn Kunzler if you have any questions or concerns with this document.

Sincerely,

A handwritten signature in black ink, appearing to read "D. Wayne Hedberg". The signature is fluid and cursive, with the first name "D." and last name "Hedberg" clearly distinguishable.

D. Wayne Hedberg
Permit Supervisor
Minerals Regulatory Program

jb
Enclosure Reclamation Agreement
cc: John Blake, SITLA
O:\M039-Sanpete\s0390011-may fieldquarry\draft\reclam-date.doc

Reclamation Agreement

This agreement is hereby made between the Utah Division of Oil, Gas and Mining, and Phyllis Bown, Permit holder for the Mayfield Quarry, S/039/011, Sanpete County, Utah.

Whereas Phyllis Bown owns and operates a mining operation known as the Mayfield Quarry, located in the South $\frac{1}{2}$ of the SW $\frac{1}{4}$ of Section 17, Township 20 South, Range 2 East, SLBM, Sanpete County, Utah; and

Whereas current mining operations have resulted in a large quantity of excess overburden; and

Whereas there is a small strip (approximately 30 feet wide) of un-quarried rock between the Mayfield Quarry and the adjacent Cream Time Quarry (permitted by Lanny Jensen); and

Whereas Lanny Jensen has passed away, leaving the site unreclaimed; and

Whereas it would be advantageous to the surface owner, Lanny Jensen's family, and the Division to have the Cream Time Quarry reclaimed; and

Whereas Danny Bown, representing the owner of the Mayfield Quarry has indicated a willingness to perform reclamation work as described below for the described considerations herein.

Now therefore this agreement is entered into as follows:

Reclamation work to be performed by Phyllis Bown:

1. Establish an access route by regrading along the western fence line of the Cream Time Quarry;
2. Reslope the overburden pile along the western side of the Cream Time Quarry to a slope of approximately 3 horizontal to 1 vertical;
3. Regrade the eastern side of the Cream Time Quarry with excess overburden from the Mayfield Quarry to create a usable surface for the surface landowner; and
4. Apply composted manure at a rate of 8 tons/acre over the Cream Time Quarry (approximately 4 acres) and seed with 4 pounds per acre of crested wheatgrass (as requested by the surface owner).

Considerations granted to Phyllis Bown for performing the described reclamation work:

1. Any stone within the 30-foot wide strip between the Mayfield Quarry and the Cream Time Quarry that is salvaged during said reclamation work may be sold, or otherwise disposed of by Phyllis Bown (appropriate royalties must be paid to the mineral estate).
2. Excess overburden materials from the Mayfield Quarry may be used for regrading or shaping the Cream Time Quarry so that the surface between the two operations blends together, thus improving the usefulness to the surface owner.
3. DOGM will not include areas regraded on the Cream Time Quarry as part of the Mayfield Quarry disturbed area.

It is hereby agreed that regrading work may begin once this agreement has been signed. All reclamation work on the Cream Time Quarry must be completed by November 15, 2003.

Signed and agreed to by:

OPERATOR:

Phyllis Bown

Date

STATE OF _____)
_____)ss:
COUNTY OF _____)

On the ____ day of _____, 2003, _____ personally appeared before me, who being duly sworn by me did say that she is the _____ of _____ and duly acknowledged that said instrument was signed on behalf of said company/individual by authority of its bylaws or a resolution of its board of directors and said _____ duly acknowledged to me that said company/individual executed the same.

Notary Public

Residing at _____

My Commission Expires:

DIVISION OF OIL, GAS & MINING :

Lowell P. Braxton, Director
Utah Division of Oil Gas and Mining

Date

STATE OF _____)
_____)ss:
COUNTY OF _____)

On the ____ day of _____, 2003, _____ personally appeared before me, who being duly sworn by me did say that he, the said _____ is the Director of the Division of Oil, Gas and Mining, Department of Natural Resources, State of Utah. and he duly acknowledged to me that he executed the foregoing document by authority of law on behalf of the State of Utah.

Notary Public

Residing at _____

My Commission Expires: